

MEMORIAL OF THE WALES ISLAND PACKING COMPANY.

L E T T E R

FROM

THE ACTING SECRETARY OF STATE,

TRANSMITTING

THE MEMORIAL OF THE WALES ISLAND PACKING COMPANY
PRAYING FOR RELIEF FROM DAMAGE RESULTING FROM THE
ESTABLISHMENT OF THE ALASKAN BOUNDARY LINE.

FEBRUARY 4, 1904.—Referred to the Committee on Claims and ordered to be printed.

DEPARTMENT OF STATE,
Washington, February 3, 1904.

SIR: I have the honor to transmit herewith a memorial of the Wales Island Packing Company, a corporation organized under the laws of the State of New York and engaged in the business of fishing and canning salmon and other fish, whose establishments and interests on Wales Island have, by decision of the Alaska boundary tribunal, been placed on the Canadian side of the boundary, a fact which, it is stated by the company, will prevent a continuance of their business and will render their property valueless.

Earnestly inviting the attention of Congress to the grounds upon which relief is sought by the company, I submit the memorial for such action as in the judgment of Congress the equities of the case may warrant.

A similar letter has been addressed to the President pro tempore of the Senate.

I have the honor to be, sir, your obedient servant,

FRANCIS B. LOOMIS,
Acting Secretary.

Hon. JOSEPH G. CANNON,
Speaker of the House of Representatives.

MEMORIAL.

The SECRETARY OF STATE,
Washington, D. C.

SIR: The memorial of the Wales Island Packing Company respectfully calls attention to the effect of the decision of the Alaskan boundary tribunal upon the affairs of this company, and requests that such steps may be taken for its relief as are appropriate under the circumstances.

The Wales Island Packing Company is a corporation organized under the laws of the State of New York and its entire capital stock is owned by American citizens. The business of the Company, as its name indicates, is fishing and canning salmon and other fish, which has been carried on at its factory and plant established for that purpose on Wales Island in Portland Canal on the southeastern coast of Alaska, a general description of which establishment is found in the Report on the Salmon Fisheries of Alaska, dated December 20, 1902, by the special agent of the Treasury Department, and printed as Senate Document No. 113, Fifty-seventh Congress, second session. This description is as follows:

Wales Island.—Visited the new plant of the Wales Island Packing Company on June 28 at 8 a. m. This cannery is on Pierce Inlet, opposite Port Simpson, at the mouth of Portland Canal. The establishment is of the most approved type and complete in every detail for the prosecution of a successful business. The main building is 320 by 60 feet; warehouse, 36 by 56 feet; Chinese quarters, 26 by 60 feet; mess house, 24 by 40 feet; native quarters, 24 by 40 feet; store, 24 by 40 feet, and superintendent's residence, 14 by 24 feet. There are other buildings, occupied by natives. The machinery is all of the latest patterns and the general equipment calculated for a large pack. The headquarters of the new company are at Seattle, Wash., and the officers are H. L. Cammann, president; S. J. Churchill, vice-president; Pierre Mali, secretary and treasurer; Howard Pratt, superintendent. The situation of the cannery is such as to warrant the belief that the accessible waters will afford plenty of fish for a permanent and successful operation of the plant, as no other is within 50 or more miles of it, and the streams thereabout have not been fished to any great extent. The plant was outfitted for the first season to pack 30,000 cases, and though nothing had been done at the time of my visit, the run being unusually late, the manager was confident that a fair pack would be made. The statistics given elsewhere show that upward of 16,000 cases were put up, which, all things considered, was quite as good a showing as the company had reason to expect. A hatchery site has been selected, and it is the intention of the Wales Island Packing Company to push the enterprise vigorously and leave undone nothing that will make for the complete success of the enterprise.

The following reference is also made to this cannery in the log of the season's cruise, printed in the same report:

June 28.—After making stops at convenient ports for the night, the *Perry* arrived at Wales Island, Alaska, at 10 a. m. this day. Here has been established a new cannery by the Wales Island Packing Company. Wales Island is situated in Portland Canal, immediately across the line from British Columbia. The new plant is the most southeasterly of all the Alaska packing houses.

As stated in that report, this plant is the most southeasterly of all the Alaska packing factories, and no other plant is within 50 or more miles of it on the United States side of the boundary. Prior to its establishment there no cannery had been built in southeastern Alaska south of Cape Fox, which marked the limit of the fishing grounds available for canneries established above that point.

This cape formed a natural and effective barrier against the extension beyond that point of the operation of the fisheries carried on above it, inasmuch as the passage around it is difficult and dangerous,

owing to the character of the tide currents there and to the conformation of the coast, which leaves this cape very much exposed to the winds and waves sweeping in from the ocean. There are, however, many valuable fishing grounds in the waters of Alaska to the southward and eastward of this cape, and in order to take advantage of them it was necessary, for the reasons above stated, to establish a cannery in their immediate neighborhood. To find a suitable locality for that purpose a careful search was made covering the whole region, which search continued upward of two years and finally resulted in finding the site acquired by this company on Wales Island. This site proved to be not only the only site suitable for such purposes in the entire neighborhood on the American side of the boundary as then established, but also most conveniently located with reference to the best fishing grounds and most peculiarly well-fitted by its natural advantages for the purposes of a cannery.

The fishing grounds, which as above stated were readily accessible from this site, proved to be practically inexhaustible. The "Sockeye" salmon, which command the highest market prices, were found to abound in that neighborhood, and by the establishment of hatcheries for the propagation of this particular quality of fish, which has already been undertaken, the company was insured a permanent supply of this most valuable breed of salmon sufficient for the entire output of its factory. It is obvious, therefore, that the natural conditions surrounding this site on Wales Island gave it a peculiar value. It has at hand a convenient and inexhaustible supply of fish. It was free from any chance of rivalry or interference on the part of other factories, because, as above stated, there was no other available site for a factory in that neighborhood, and the factories on the other side of Point Fox were unable to extend their operations beyond that point. This site, therefore, had practically the exclusive right to enjoy the entire fishing resources of the neighborhood on the United States side of the boundary line as then established.

Apart from these exclusive advantages, this site offered the further advantage of being within easy reach of the regularly traveled steamer routes along the coast, giving ready access to it at all times and reducing its transportation charges to the lowest rates. Furthermore, as stated in the report above quoted, it was the most southeasterly of all the Alaskan packing houses and therefore nearest to its market, both for its supplies and its output.

The special advantages of this location for its purposes need not be further dwelt upon here, but reference is made to the expert opinion of those skilled in such matters for confirmation of the above statements. This site, so preeminently suitable for the purposes of the company, having been found, such steps were taken as were necessary under the laws of the United States regulating the acquisition of factory sites in Alaska to perfect the title of the company thereto, and the factory and equipment of the company for the purposes of this business was there established.

The plant of the company was constructed on this island in the year 1902, and was outfitted, as stated in the report above quoted, for the first season to pack 30,000 cases, but owing to the delay in completing the plant and to the lateness of the season only 16,000 cases were put upon the market that year. During the second season, in the following year, the capacity of the plant was increased and its output for

that season was 35,000 cases. Its present capacity is for 50,000 cases, and in view of its equipment and the abundance of its fisheries a regular annual output up to its full capacity was assured.

Proof of the character and validity of the title acquired by the company and of the extent and value of its vested interest will be submitted whenever an appropriate opportunity for that purpose can be granted to the company.

Such, then, was the situation of this company when the decision of the Alaskan boundary tribunal was rendered, carrying the boundary line through the channel to the westward of Wales Island and placing this island within the Dominion of Canada, and with it the establishments and interests of the Wales Island Packing Company.

The justification of this company in locating on territory which by the decision of the Alaskan boundary tribunal has been held to belong to Canada, will be found, if any is needed, in the repeated and familiar assertions of title and exercise of sovereignty over this island both by the executive and legislative branches of the United States Government, from the time of the purchase of Alaska from Russia down to the date of the decision of the Alaskan boundary tribunal. The grounds upon which such claim was made are fully set forth in the presentation of the case of the United States before that tribunal, and need not be repeated here further than to cite one instance which is particularly pertinent to this case.

In September, 1896, the War Department, under the authority of Congress, caused a storehouse to be built upon Wales Island, and in one of the wall stones in a conspicuous part of this house was carved the words "U. S. property. Do not injure." This property stands within a few miles of this company's establishment and its existence was known to the company at the time it located its establishment on that island.

It is a well recognized rule of law under the decisions of the United States Supreme Court that the determination of the question of national title and sovereignty over territory by the executive and legislative departments of this Government is conclusive, both with respect to the citizens and the courts of the United States. When therefore the authorized branches of the Government asserted title to this island every citizen of the United States was justified in relying upon such assertion as a conclusive determination, so far as he was concerned, of whatever question might elsewhere be raised as to the title to such island.

Furthermore, it must be remembered that the assertion of title on the part of the United States to Wales Island was made in a most vigorous and uncompromising manner, and that such assertion was supported by an act of sovereignty so decisive as the construction on that island of a Government storehouse, which was in existence and is shown to have been known to this company at the time it located there. It follows, therefore, that this company was justified in relying upon the assurance thus given by the Government that its sovereignty extended over this island, and all vested interests acquired by the company in such island in reliance upon such assurance are entitled to the protection and support of the Government.

The practical effect of the decision of the Alaskan boundary tribunal upon this company, under the existing conditions, is to prevent the continuance of its business and to render its property valueless. Its

former fishing grounds, with respect to which this site was selected, are all left on the United States side of the boundary, as laid down by this decision, and consequently are no longer available to this company. On the Canadian side of the line there are no fishing grounds in the immediate neighborhood of the establishment of this company. Such fishing grounds as are to be found on the Canadian coast are so inconveniently placed that it is practically out of the question for this company to attempt to do its fishing there. Furthermore, such Canadian fisheries as there are have all been appropriated by Canadian companies located within convenient reach, and the fishing industry on the Canadian side in this neighborhood is already overcrowded.

This company, therefore, operating at a disadvantage on account of the distance and inconvenience of the fisheries and in competition with companies more favorably located and on fishing grounds already overcrowded could not hope to continue its business profitably on the Canadian side of the line. For the same reasons this company can not hope to dispose of its establishment and business profitably as a going concern to any Canadian interest.

Moreover, there is a serious question as to whether the Canadian government will confirm the title of this company to its location and permit a fishery to be carried on there. It has been announced on behalf of that government that the entire territory in the region of Port Simpson is reserved by the Crown and is not open for private occupation. It is evident, however, that even if the Canadian government should confirm the company's title to its present location the difficulties in which the company finds itself would not be removed. It still would be unable to continue its business or dispose of its business profitably there.

Neither would it be possible for the company to reestablish itself on a new site and continue its business on the United States side of the line, because, as above stated, there is no available site within reach of the fisheries in that neighborhood upon which an establishment could be constructed. A location for a packing factory requires certain peculiar natural conditions, which are not readily found on that coast. A stream furnishing a plentiful supply of fresh water is one of the essential features; another is that there must be a good harbor for large boats, and there must also be an anchorage for such boats; and the shore must be sufficiently level to permit the erection of the necessary buildings and plant, each of which requirements is extremely difficult to find on this portion of the Alaskan coast, and it is a most unusual thing to find them all in conjunction. It is well known that good harbors and anchorages for vessels are rarely found anywhere in Alaska, and throughout this entire region the shores are generally formed by precipitous cliffs or mountain slopes rising abruptly from the water's edge, leaving no space available for the location of a factory plant.

Moreover, the character of this packing factory and plant is such that it would be impossible to move it to advantage. One of its chief features is a pier of heavy timbers resting on piles, upon which is constructed the factory building. The cost of moving work of such a character would be more than the cost of replacing it by an entirely new structure. Furthermore, a large item in the expense of establishing this plant has been the improvements and alterations in the natural surroundings, such as clearing the woods, grading, etc., and construct-

ing a flume for the fresh-water supply upward of a mile and a quarter into the island. Such improvements as these pertain to the soil and on any new site similar work would have to be done anew, so that they represent no value which could be transferred to a new plant.

Under all the circumstances, therefore, it is evident that as the matter now stands the company is debarred from continuing its business or even profitably disposing of its property, without some action by the United States Government, to which the company must look for relief from the difficulties forced upon it through no fault of its own.

This company therefore prays that if this Department finds itself unable to grant relief adequate to the necessities of the case the question be brought to the attention of Congress in some appropriate way for such relief as may be proper under the circumstances.

And your memorialist will ever pray, etc.,

THE WALES ISLAND PACKING COMPANY,
By H. L. CAMMANN, *President*.

JANUARY 27, 1904.

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